

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6549

BILL NUMBER: SB 132

NOTE PREPARED: Jan 17, 2007

BILL AMENDED:

SUBJECT: Petition and Remonstrance Process.

FIRST AUTHOR: Sen. Kenley

FIRST SPONSOR:

BILL STATUS: 2nd Reading - 1st House

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: Local

Summary of Legislation: (Amended) *Property Owners and Voter Petitions and Remonstrances*- The bill allows registered voters and owners of real property to participate when a political subdivision conducts a petition and remonstrance process to approve a bond issue or a lease rental. (Current law allows only the owners of real property to sign a petition or a remonstrance.)

Signature Verification Process- The bill requires the petitions to be filed with the county clerk, rather than the county auditor.

Definition of Registered Voter- The bill specifies that for purposes of the petition and remonstrance process, a registered voter means an individual registered to vote at least 30 business days before a political subdivision publishes notice of a preliminary determination to issue bonds or enter into a lease.

Variation in Signature- The bill specifies that whenever the name of an individual who signs a petition or remonstrance as a registered voter contains a minor variation from the name of the individual as set forth in the records of the county voter registration office, the signature is presumed to be valid.

Effective Date: Upon Passage; July 1, 2007.

Explanation of State Expenditures:

Explanation of State Revenues:

Explanation of Local Expenditures: (Revised) *Voter Petitions and Remonstrances*- This bill expands the

pool of individuals who can sign a petition or remonstrance with respect to local government bond issues. Under current law, the issuance of public debt of \$2 M or more by a local governmental unit or school corporation is subject to a petition and remonstrance procedure. In order to invoke the petition/remonstrance process, it takes the lesser of 100 or 5% of the property owners' signatures in the affected area. Property owners may then sign either the petition (in favor of) or the remonstrance (against), with the greater number of signatures prevailing.

Under this bill, registered voters and owners of real property, would be the parties eligible to invoke the process and then sign the petitions and remonstrances. This change to expand the process to include registered voters could affect the amount of debt issued and, as a result, could affect debt service levies and tax rates.

Background- There are about 3.4 million parcels of land in Indiana. As of the 2004 general election, there were 4.3 million registered voters in Indiana.

Signature Verification Process- County clerks could potentially have to verify more signatures on petitions and remonstrances. Given that the process allows a limited amount of time to verify signatures (up to 60 days, depending on the number of signatures) clerks may have additional staff expenditures.

However, the bill would relieve the duties of verifying petitions and remonstrances from county auditors. Therefore, the provision should minimally impact the expenditures of counties as a whole.

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected: All local civil taxing units and school corporations proposing bond issues or lease-rental agreements; Circuit Court Clerks; County Auditors.

Information Sources: Indiana Election Division.

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